

Hon. Judge Robert D. Drain  
United States of Bankruptcy Court  
For the Southern District of New York  
One Bowling Green, 610 Chambers Directory Courtroom  
New York, NY 10004-1408

February 6, 2009

Dear Judge Drain,

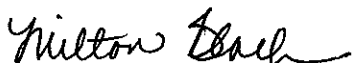
I am writing you to object to Delphi Corporation's motion to cease providing health care insurance for salaried retirees. I hope that you will consider my objections for the following reasons:

- The retirees who are being impacted by this petition were involuntarily separated from the company. These folks were forced into early retirement and would be still working if it were up to them.
- Most of these people are in their middle 50s, many with preconditions that would not allow them to get health insurance on the open market. (I am a 55-year-old prostate cancer patient with diabetes and high blood pressure.)
- This group of people are the least able to afford to pay for health insurance since they were forced to retire which required them to take a 60 percent reduction in their income.
- It is unfair to single out one group of former employees to target with such a drastic hardship. It would be a lot more equitable to spread this across a larger group.
- Healthcare is a national issue that must be addressed. The court should not condone adding more to the rolls of the 47 million uninsured Americans. Similar actions by companies in the 1980s made it necessary for the government to form the Pension Benefit Guarantee Corporation.

I am perplexed as to how this decision was made by the leadership of Delphi. It was announced yesterday to active employees before notifying the former employees (retirees) who are impacted. The letter that was distributed to employees made this seem that this was already a done deal that had received your approval. A copy of the letter is attached.

Thank you for your consideration. I hope you will understand that we former employees of Delphi Corp. have been through enough.

Sincerely,



Milton Beach  
1605 Lindenwood Dr.  
Kokomo, Indiana 46902

# DELPHI

February 5, 2009

To Delphi U.S. Salaried Employees:

As referenced in the letter distributed today to Delphi's global salaried workforce, Delphi, like others in the automotive sector, continues to face serious challenges created by a weakened global economy and its effect on the automotive industry. U.S. light vehicle sales for 2009 are down roughly 22% from an already slower 2008, and down nearly 40% from volumes experienced at the beginning of this decade. At current forecasts, 2009 U.S. light vehicle sales will reach their lowest level since 1982.

Delphi must respond to these market and economic realities by taking a series of difficult but necessary actions, applicable to U.S. salaried employees.

- The U.S. 2009 merit plan and annual incentive payments (AIP) for eligible executives and U.S. non-executive salaried employees will be suspended in 2009. Suspending these programs in the U.S. and other locations will assist in generating cash flow in 2009.
- Additionally, effective April 1, 2009, Delphi will cease to provide health care and life insurance in retirement to salaried employees and retirees.

In these extraordinary economic times, it is necessary for Delphi to discontinue these benefits in order to work towards further modifications to its plan of reorganization that will enable the company to emerge from chapter 11 reorganization as soon as practicable. Delphi acknowledges these actions will impose a real hardship on former beneficiaries of these programs. However, the company's recognition of this hardship, which allowed Delphi to continue these benefits in a more robust economic environment, regretfully does not support continuing these programs in the current economic environment.

On February 4, 2009, Delphi filed a motion with the U.S. Bankruptcy court regarding the aforementioned benefits in retirement. The benefits are generally referred to as Other Post Employment Benefits (OPEB). You will receive a copy of the motion in the mail at your home address. A copy of the motion can also be found on [www.delphidocket.com](http://www.delphidocket.com). Any responses to the motion will need to be filed with the Bankruptcy Court no later than February 17, 2009.

The change does not impact active employees hired prior to January 1, 1993 until they retire. Active employees who were hired after January 1, 1993 but prior to January 1, 2001 will no longer receive the 1% Corporate contribution made into their 401(k) account in lieu of health and life coverage in retirement. Employees hired on or after January 1, 2001 are not affected by this change because they did not have any health or life coverage in retirement based upon their date of hire. Effective April 1, 2009, current and future retirees will have access to Delphi coverages but will be required to pay the full cost of coverages continued. Impacted retirees will be notified of these changes in a separate communication and will be provided the information about continuing their coverages at their own expense. Questions about this change and/or the ability to purchase alternative coverage may be directed to the National Benefits Center at 1-866-335-7444.

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- In December 2008, Delphi advised U.S. salaried employees that the Separation Allowance Plan severance schedule would be changed to cap at 6 months based upon length of service. The March 1, 2009 implementation date accommodated previously approved commitments to employees (e.g. specific wind down situations). Additionally, the date was based upon our projected customer volumes and workforce reduction plans at that time. However, rapidly deteriorating business conditions make it necessary to apply the new schedule to all classified salaried employees who were provided release of claims agreements after January 5, 2009.
- Effective January 1, 2009, all vacations will vest on a month-to-month basis. Employees who retire or separate from service will be eligible only for prorated vacation days prior to their last day of work based upon their date of separation in the calendar year. This change will be reflected in all Separation Allowance Plan documents presented to employees beginning today.
- Service Awards will be suspended until further notice. At the point in time Delphi is able to reinstate this program, missed anniversary dates during the suspended period will be recognized.
- Cash payments (\$50) to be made in May 2009 to employees who completed Health Risk Assessment Questionnaires will be suspended until further notice. This suspension includes employees who have already completed forms.

Delphi is among many companies throughout the world examining all policies, compensation and benefits in response to a weakened global economy. This week, Delphi employees in all regions of the world are being advised of similar changes affecting their site, country or region.

In this dynamic environment, it is possible that additional cost cutting measures will be necessary in response to changing business conditions; in that event, we will do our best to notify you as early as we can if and when further measures are needed. Except as otherwise directed, should you have questions about this letter or the information provided, please contact your local HR department.

We regret that these changes are necessary, but please understand the changes are only implemented after careful consideration of many factors, including the impact on Delphi people. We believe these changes are necessary to exit bankruptcy and maintain a viable global business.

Sincerely,



John D. Sheehan  
Vice President and CFO  
Delphi



Kevin M. Butler  
Vice President Human Resources  
Delphi